

FY2015 ANNUAL ACTION PLAN
Community Development Block Grant
HOME Investment Partnerships Program



CITY OF NASHUA, NH

Prepared for the
US Department of Housing and Urban Development

By the
City of Nashua
Mayor Donnalee Lozeau
March 27, 2014

DRAFT

TABLE OF CONTENTS

<u>GENERAL.....</u>	<u>3</u>
Executive Summary	3
Managing the Process.....	12
Citizen Participation.....	13
Institutional Structure	14
Monitoring	16
Lead-Based Paint.....	17
<u>HOUSING</u>	<u>19</u>
Specific Housing Objectives	19
Needs of Public Housing	19
Barriers to Affordable Housing.....	20
HOME/ American Dream Down payment Initiative (ADDI)	20
<u>HOMELESS</u>	<u>22</u>
Specific Homeless Prevention Elements.....	22
<u>COMMUNITY DEVELOPMENT</u>	<u>23</u>
Antipoverty Strategy.....	25
<u>NON-HOMELESS SPECIAL NEEDS HOUSING</u>	<u>26</u>
Non-homeless Special Needs	26
Housing Opportunities for People with AIDS.....	26

APPENDICES

Appendix A	SF424
Appendix B	Certifications
Appendix C	Resolutions
Appendix D	Project Sheets

GENERAL

Executive Summary

This Annual Action Plan (AAP) outlines the planned activities and funding for year five, the final year, of the City's 2010 Consolidated Plan, which covers the period of July 1, 2014 – June 30, 2015. The Draft AAP is being made available for a 30-day public comment period beginning March 26, 2013 at the Urban Programs Department, the City Clerk's Office and Nashua Public Library; advertised in the Nashua Telegraph; and posted to the City's website. Formal Public Hearings were conducted by the Aldermanic Human Affairs Committee (HAC) on February 2, 2012 and April 11, 2013.

The City of Nashua, NH's Consolidated Plan identifies and outlines a comprehensive and coordinated strategy to address the City's affordable housing, community development and economic development needs. Nashua's approved Consolidated Plan covers a five-year period beginning July 1, 2010. It serves as the application for funding to the U.S. Department of Housing and Community Development (HUD) for the Community Development Block Grant (CDBG) and HOME Investment Partnership (HOME) federal entitlement programs. Although the City is not an entitlement grantee under the McKinney Act, Emergency Solutions Grant (ESG) or Housing Opportunities for Persons with AIDS (HOPWA) programs, funds from these and other federal programs are sought on a competitive basis, consistent with the Consolidated Plan. The Consolidated Plan is intended to guide the use of CDBG, HOME and other federal resources to principally benefit low-moderate income individuals/families in Nashua. The Urban Programs Department (UPD) of the City's Community Development Division has primary responsibility to oversee the Consolidated Plan and related processes. The Consolidated Plan may be found on the City's website www.nashuanh.gov.

The goals of the Consolidated Plan (and subsequent Annual Action Plans) parallel those that HUD has established:

CONSOLIDATED PLAN PRIORITY GOALS

GOAL I: DECENT, AFFORDABLE HOUSING: Provide decent, affordable housing for the community's lowest income households, including households with special needs.

GOAL II: EXPANDED ECONOMIC OPPORTUNITY: Create economic opportunities for residents and businesses in low income areas of the community.

GOAL III: SUITABLE LIVING ENVIRONMENT: Improve the living environment/quality of life in low-income neighborhoods.

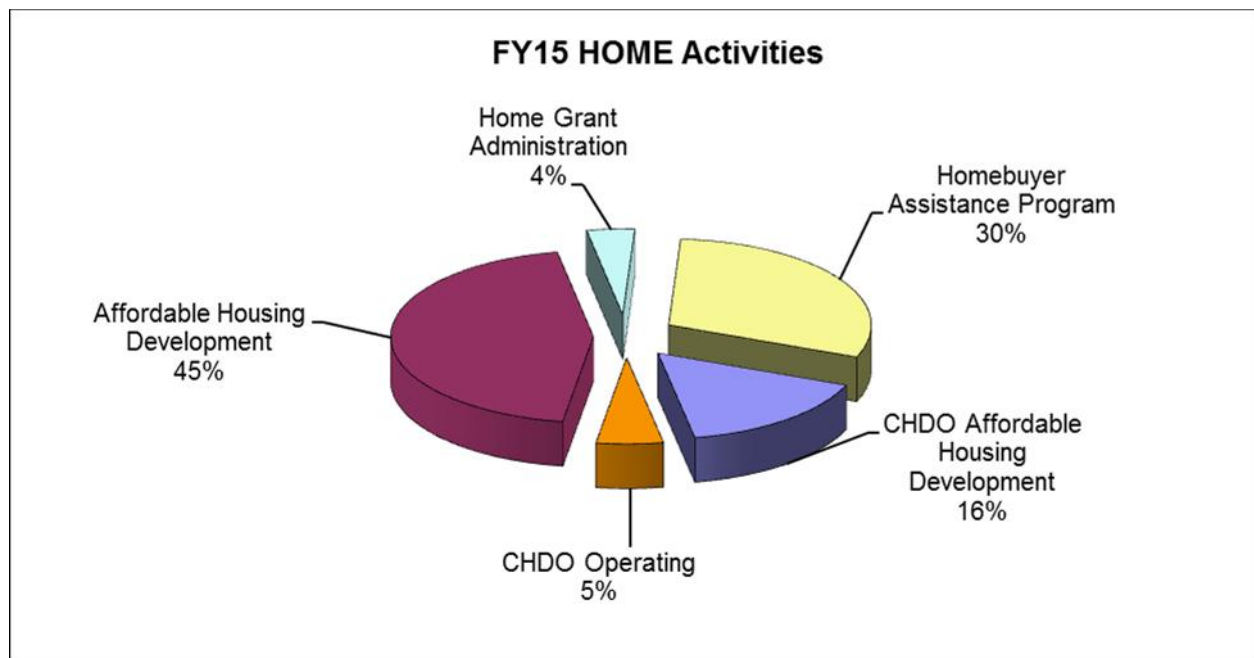
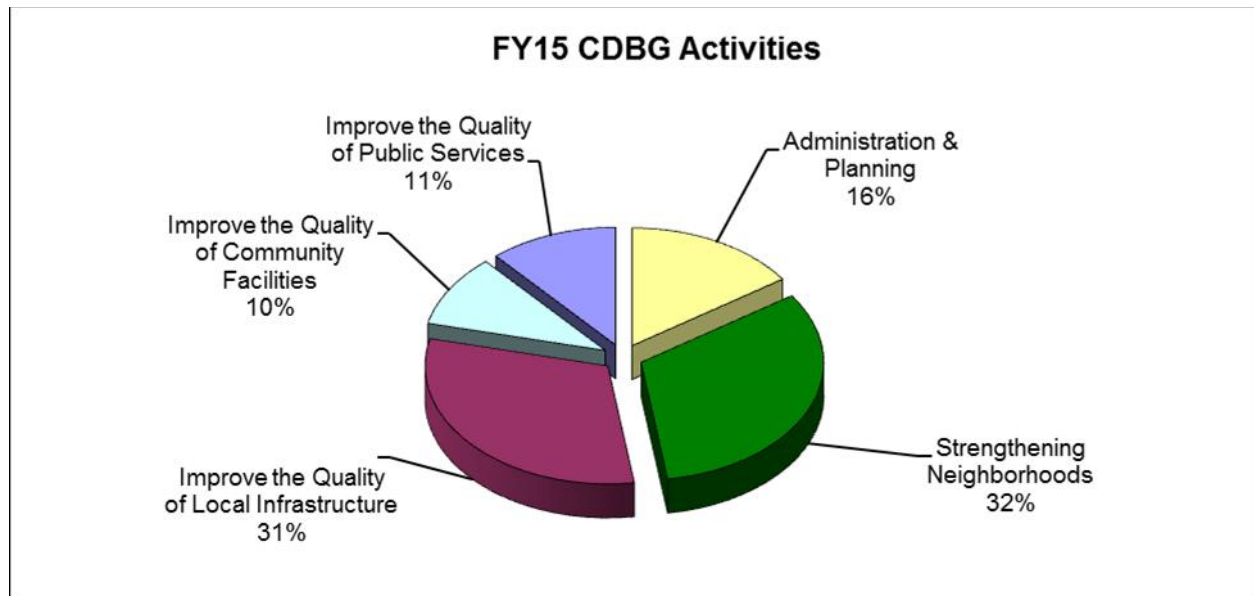
Summary of Fiscal Year 2015 Planned Activities

CDBG AND HOME ACTIVITIES BY CONSOLIDATED PLAN GOAL & NATIONAL OBJECTIVE				
		CDBG	HOME	
Entitlement Award		\$561,670	\$277,603	
Estimated Program Income		\$10,000	-	
Reprogrammed prior year funds		\$169,234.47	\$554.21	
Prior Year Carry Forward (not yet obligated)			\$451,146.56	
Total Available		\$740,904.47	\$729,303.77	\$1,470,208.24

STRENGTHENING NEIGHBORHOODS				
Activity	Nat'l Obj.	CDBG	HOME	Total Goal Amount
Housing Improvement Program Loans	LMH	\$125,000		
Direct Project Delivery (construction management)	LMH	\$113,917		
Homebuyer Assistance Program	LMH		\$55,000	
Homebuyer Assistance Program - prior year carry forward	LMH		\$165,000	
CHDO Reserve Affordable Housing Development	LMH		\$41,640.45	
CHDO Reserve Affordable Housing Development - prior year carry forward	LMH		\$74,866.35	
CHDO Operating	LMH		\$13,880.15	
CHDO Operating - prior year carry forward	LMH		\$24,995.45	
Affordable Housing Development	LMH		\$139,876	
Affordable Housing Development - prior year carry forward	LMH		\$186,284.76	
SUBTOTAL		\$238,917	\$701,543	\$940,460

IMPROVE ECONOMIC OPPORTUNITIES				
No new funds allocated in FY15, see prior year activities detailed below				
IMPROVE QUALITY OF LOCAL INFRASTRUCTURE				
City of Nashua: Centennial Pool lining replacement	LMA	\$40,000		
City of Nashua: Sargents Ave tennis courts or Labine Park upgrades	LMA	\$40,000		
City of Nashua: Bicentennial Park improvements	LMA	\$30,000		
City of Nashua: Crosswalks, associated sidewalks, lighting & signage	LMA	\$120,000		
SUBTOTAL		\$230,000		\$230,000
IMPROVE QUALITY OF COMMUNITY FACILITIES				
Bridges: Heating system, door replacement	LMC	\$12,127		
Nashua Children's Home: Flooring replacement, including carpets, kitchens and gymnasium	LMC	\$29,602.60		
Nashua Police Athletic League: Installation of ADA compliant ramp	LMC	\$18,500		
Nashua Transit Station: ADA compliant automatic doors	LMC	\$3,000		
Contingency		\$10,173		
SUBTOTAL		\$73,403	-	\$73,403
IMPROVE QUALITY OF PUBLIC SERVICES				
(Cannot exceed 15% of Entitlement)				
TBD - per recommendation of Review & Comment Commission, subject to BOA approval; will be known by final Action Plan		\$84,250.50		
SUBTOTAL		\$84,250.50	-	\$84,251
ADMINISTRATIVE CALCULATIONS				
Entitlement Award		\$561,670	\$277,603	
FY13 Estimated Program Income		\$10,000	\$0	
Administrative Cap Allowance		20%	10%	
Administrative Cap Dollar Amount		\$114,334	\$ 27,760	\$142,094
TOTALS		\$740,904.47	\$729,303.77	\$1,470,208.28

The graphs below show the breakdown of spending by Goals for FY2015.



Projects carried forward: In addition to the above planned FY15 activities, the following prior year activities will carry forward to be completed during FY15.

Yr Funded	Program	Activity/Project	Amount
FY2011	CDBG	Best Retail Practices	\$18,000
FY2014	CDBG	Court Street concrete entry	\$5,000
FY2014	CDBG	Tolles Street Mission – exterior work	\$15,000
FY2014	CDBG	Nashua Youth Council	\$32,700
FY2014	CDBG	Bridges – shelter and office improvements	\$25,699

Priorities, Goals and Objectives

A wide range of needs were identified in the Consolidated Plan. However, several consistent themes were apparent related primarily to affordable housing, employment, affordable healthcare/insurance and neighborhoods. Many of the goals are inter-related and can be achieved through a multi-pronged approach. The priorities, goals and objectives are summarized in the following table. Only high and medium priority objectives were included in this table. The chart below represents the overall five-year goals. Specific objectives for FY2015 are found elsewhere in this Plan.

GOAL A: STRENGTHENING NEIGHBORHOODS <u>Objectives</u>		PRIORITY
➤ Increase home ownership in areas of low-moderate income (LMI) concentrations to increase income diversity		HIGH
➤ Increase the supply of rental housing to meet needs of all income groups		HIGH
➤ Enhance the character of existing neighborhoods and revitalize older ones		HIGH
➤ Ensure safe, sanitary housing and prevent housing discrimination		MEDIUM
➤ Improve the quality of existing housing stock		MEDIUM
➤ Improve quality of life issues contributing to neighborhood blight		MEDIUM
GOAL B: IMPROVE ECONOMIC OPPORTUNITIES <u>Objectives</u>		
➤ Improve the economic well being of Nashua's LMI individuals through job creation or retention		HIGH
➤ Stimulate the growth of new enterprises, including microenterprises		HIGH
➤ Enhance the vitality of neighborhood business districts and Downtown Nashua		HIGH
➤ Reclaim brownfields and other abandoned and underutilized sites		MEDIUM
➤ Enhance the job skills of Nashua's workforce, particularly LMI individuals		MEDIUM
GOAL C: IMPROVE THE QUALITY OF LOCAL INFRASTRUCTURE <u>Objectives</u>		
➤ Improve the quality/increase the quantity of public improvements that benefit low-moderate income individuals		HIGH
➤ Provide low-moderate income residents with accessible open space, from neighborhood playgrounds to large scale regional parks		HIGH
➤ Ensure neighborhoods have access to schools, community centers, and open space via sidewalks or trails		MEDIUM
GOAL D: IMPROVE THE QUALITY OF COMMUNITY FACILITIES <u>Objectives</u>		
➤ Improve the quality/increase the quantity of facilities serving LMI individuals		HIGH
➤ Improve the quality/increase the quantity of facilities that benefit LMI teens and youth		HIGH
GOAL E: IMPROVE THE QUALITY OF PUBLIC SERVICES <u>Objectives</u>		
➤ Improve services for all LMI individuals		HIGH
➤ Improve services for LMI youth and teens		HIGH

Past Evaluation: The City of Nashua is entering its fourth year of the five-year Consolidated Plan. Specific accomplishments are detailed in the Consolidated Annual Performance Report (end of year report), however a summary of progress follows: Housing activities have exceeded rehabilitation of owner-occupied properties goals; we anticipate the redevelopment of Cotton Mill Square to begin this year, bringing us over our new rental units goal; An emphasis will be placed on launching a low-income home buyer program this year, as we have yet to address this goal/need; we continue to work closely with Code Enforcement to help bring substandard housing into compliance; and are making strides with the Lead Paint & Health Homes Program. In the area of Economic Development, the creation or retention of jobs for low-moderate income individuals is slightly behind while assistance to micro enterprise businesses and enhancing the vitality of neighborhood business districts and/or the downtown is on track. Strengthening neighborhoods, public facilities, public services and community centers are nearly on target with the five-year goals. The unforeseen reduced Entitlement funding over the last three years has impacted the City's ability to meet all the goals identified in the Consolidated Plan.

General Questions

Geographic Area Description

Date of Incorporation: 1853
Population, 2009: 86,897 (est.)

Area: 32 square miles
Nickname: The Gate City

Nicknamed the "Gate City", Nashua is the second largest municipality in New Hampshire. Nashua is one of several mill cities in the Merrimack River valley, including Manchester, NH, Lowell and Lawrence, MA that evolved into regional centers, containing most of their regions' population, commerce, and industry. The exchange of commerce was fueled by waterways (rivers and canals) and then by railroads starting in the 1830's. In the period from the late 1800's to the early 1900's, Nashua's population grew steadily, from 13,397 in 1880 to 31,463 in 1930.

Decisions for directing our limited CDBG resources are, in part, made by analyzing the City for significant concentrations of low and moderate income persons combined with racial concentrations. De-concentration of poverty and race is a Congressional objective and under HUD regulations as it affects the site selection of new housing. It also defines how some CDBG funded activities are approved under what is termed an 'area benefit'. Under this designation, it is presumed that activities funded with CDBG would primarily benefit low income persons, if they are implemented in a defined area with a low-moderate income population of 51% or greater.

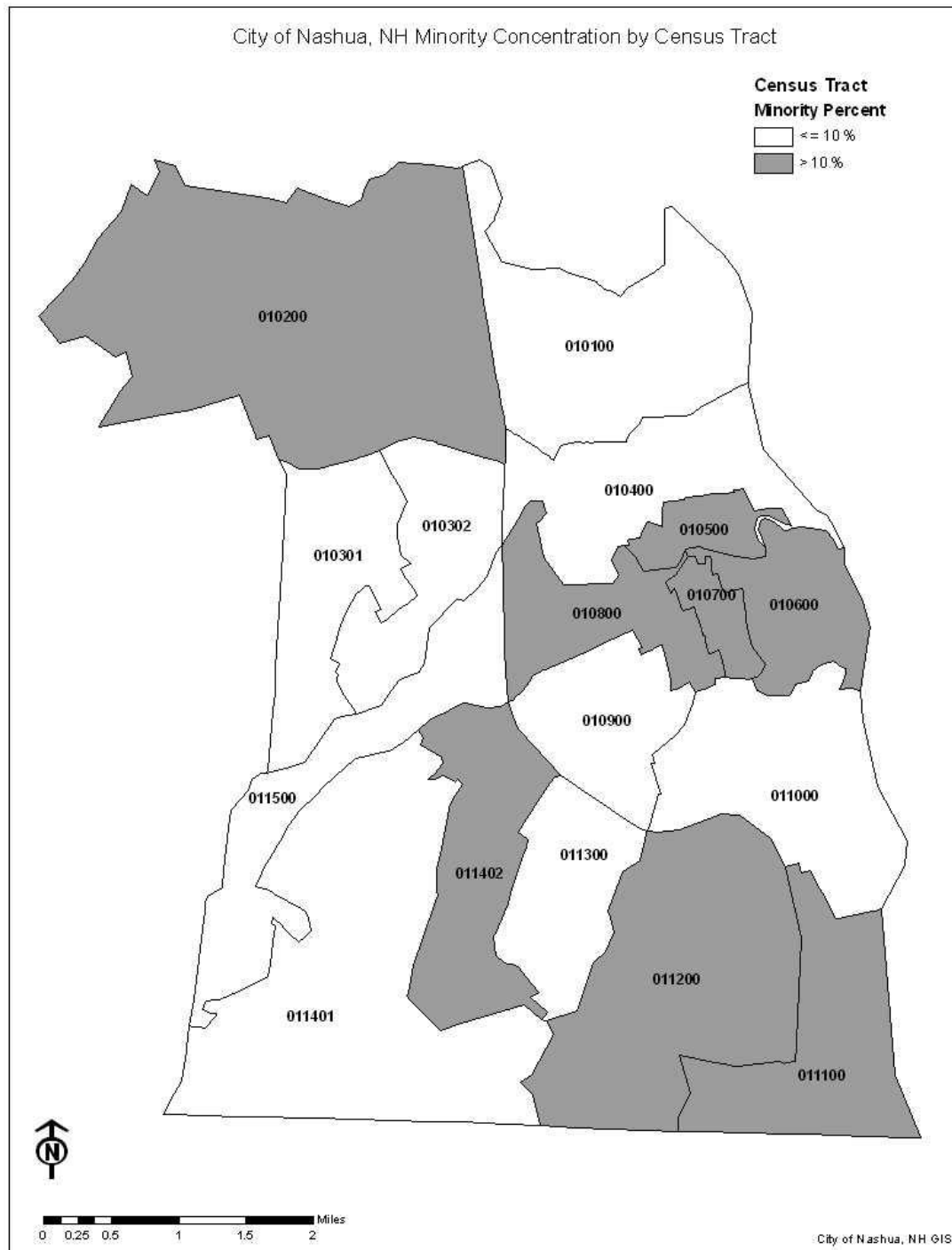
As can be seen from the table below, the concentration of poverty in Nashua has risen just slightly since 2008, while the minority population has grown by 54.5% during the past ten years. This data shows there has been not a direct relationship between poverty and minority status.

Poverty and Racial Concentrations

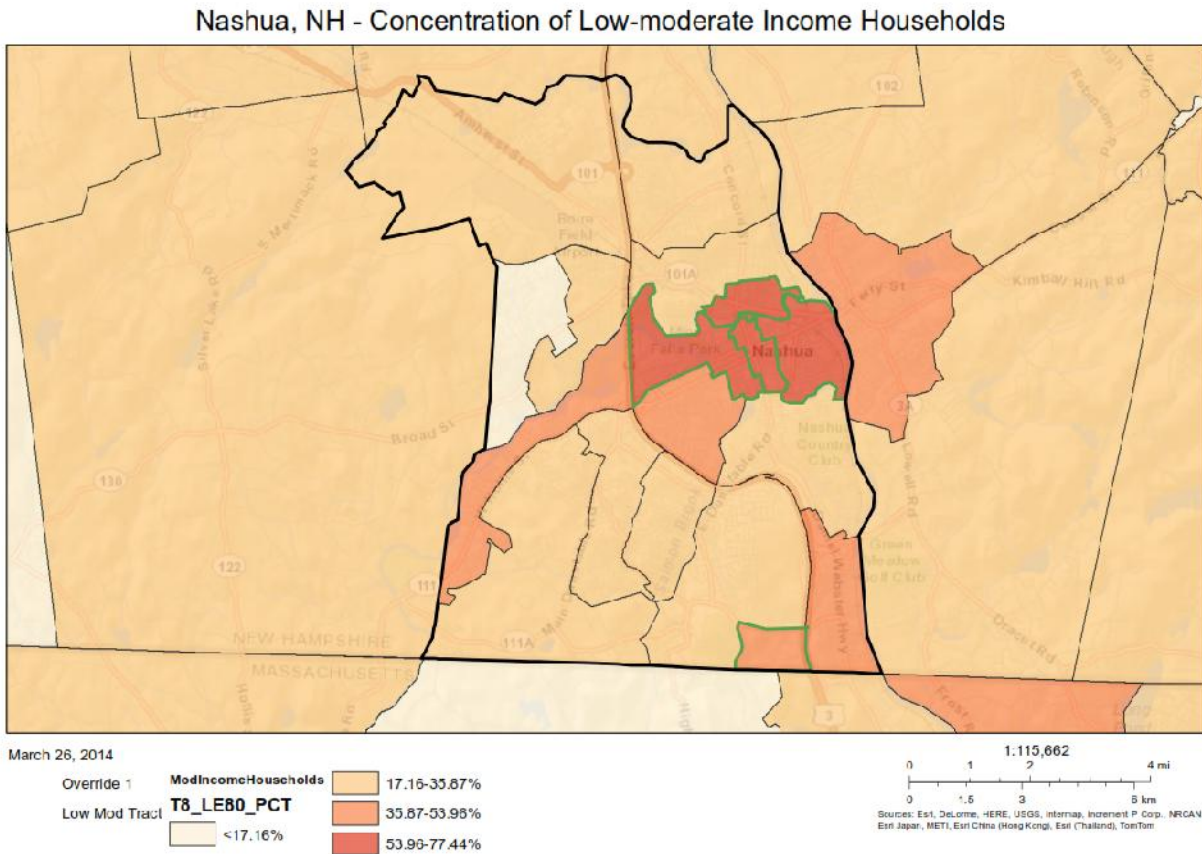
% Poverty Families Census 2000	% Poverty ACS 2010	% Minority 2000 Census	% Minority 2010 Census
6.76%	7.6%	10.81%	17%

Source: US Census 2000 & 2010; American Community Survey 2010

The following map shows the census tracts in terms of racial concentration based on ESRI 2009 data (ESRI is a company that provides geographic information data). Eight census tracts in Nashua have a minority concentration of more than 10% and two census tracts are over 30% minority. Note that the top four census tracts in terms of low-mod population (108, 107, 106 and 105) are also among the census tracts with the highest minority concentrations.



Based on the most current American Community Survey (ACS) data provided by the US Census Bureau, five census tracts have a low-moderate income population greater than 50%: Tracts 111, 108, 107, 106 and 105. The map below, from HUD's CPD Mapping tool shows where the concentrations of low-moderate income households reside:



2. Basis for Geographic Allocation

The primary objectives of the Consolidated Plan programs are to benefit low-income and moderate-income residents. The resources covered by this Plan will be directed to those areas of the City where the highest concentrations of low-moderate income individuals reside.

The public facility and improvement projects that will receive funding meet eligibility criteria by providing services that benefit low and moderate-income persons living throughout the community.

3. Addressing Obstacles to meeting underserved needs

The greatest obstacle to meeting underserved needs is the limited availability of funding. Federal and local budget cuts, economic downturn, subprime mortgage crisis, foreclosure spikes, the housing market and political climate have resulted in the increased need for services, economic opportunities and affordable housing. However, the changes have also resulted in reduced funding, causing fewer services, program elimination, staffing cuts and the loss of other essential resources.

The City's CDBG award has seen a reduction of 30% since FY2011 when this Consolidated Plan began. The HOME program has suffered even greater reductions with a total loss of 50% since FY2011. Although FY15 had a slight increase to HOME funding, CDBG and HOME funds alone are not enough to address all needs.

The City of Nashua actively addresses this obstacle by pursuing other grant opportunities to address needs, such as the Lead Paint & Healthy Homes Program; operating as collaboratively and efficiently as possible; collaborating with neighboring communities to share "lessons learned"; using best practice guidelines, systems, and previously created documents. Despite these efforts, the City, like all communities, continues to be faced with increased reporting requirements and compliance issues. Maintaining transparency and a high level of conduct requires extensive staff time.

4. Resources expected to assist with addressing identified needs

Details of the amounts listed in the table below follow on the subsequent pages.

Program	Source	Description of Funds	Amount
CDBG	Federal	Entitlement Award	\$561,670
		Reprogrammed Funds	\$169,234
		Program Income	\$10,000
		Economic Development Revolving Loan Fund	\$20,000
	Private/State/Local	Leveraged Funds	TBD
HOME	Federal	Entitlement Award	\$277,603
		Prior Year Funds Carried Forward	\$451,147
		Reprogrammed Funds	\$554
		Program Income	\$0
	Private/Local	Estimated Match	\$110,000
HUD Lead Paint & Healthy Homes Grant	Federal	Lead Paint & Healthy Homes Grant (approx. 1/3 of grant)	\$826,000
	Local	In-Kind Match Value	\$375,353
	Private	Owner Cash Contributions	\$15,000
HUD	Federal	HODAG	\$10,000
HUD	Federal	HOPWA	\$1,430,000
HUD	Federal	McKinney Vento	TBD
Nashua Housing Authority	Federal	Section 8 Rental Voucher Program	TBD
		Single Room Occupancy Program	
		Shelter + Care	
TOTAL ESTIMATED RESOURCES			\$4,256,561

Reprogrammed Funds: The following prior year activities were either cancelled or completed under budget. These funds were re-programmed and made available for FY15:

Program	Activity	Amount
CDBG	FY10 Comm Gardens	\$1,398.52
	FY10 Ash Street Basketball	\$11,000.00
	FY11 Artillery Lane	\$12,895.95
	FY11 Parks TBD	\$13,634.68
	FY11 Project Brightside	\$8,000.00
	FY11 Strategic Planning action item	\$10,000.00
	FY11 Neighborhood Impact	\$3,933.83
	FY12 Tree Street Plan	\$11.54
	FY12 NH Community Loan Program	\$8,400.00
	FY13 CDBG Admin	\$2,920.93
	FY13 Contingency	\$6,540.78
	FY13 Bridges - Door Replacement	\$1,683.00
	FY13 PAL - Fencing/Stairs	\$3,010.00
	FY13 Bridges - Operating	\$1,764.00
	FY13 Construction Management	\$6,041.24
	FY13 Parks TBD	\$28,000.00
	FY14 Contingency	\$50,000.00
	Total CDBG	\$169,234.47
HOME	FY12 HOME Admin	\$544.21

CDBG Revolving Loan Fund: This loan fund was created under the CDBG-R award in FY2010. To date five loans have been made, all of which are currently in repayment. Loan repayments are restricted program income, to be re-loaned to qualified businesses.

Program Income: The City is required to estimate program income. The CDBG estimate, in the amount of \$10,000, is expected from an unrestricted payment made by Clocktower Place. No HOME program income is anticipated this year. The City also anticipated receiving repayment under the terms of a HODAG loan from Clocktower Place. NOTE: HODAG repayments are restricted to supporting the construction, rehabilitation or operation of real property to be used primarily for low and moderate income residential rental purposes.

HOME Match: Developers of affordable housing projects funded under the City's HOME program are required to contribute a minimum 25% non-federal match. This match can be cash (but not owner equity), services, labor and donated materials/equipment, waived taxes or fees, value of donated land, cost of infrastructure improvements, or other resources that become a permanent contribution to affordable housing. Direct costs of supportive services to residents of HOME projects can also be considered as match.

HOME Funds Carried Forward: HOME funds shall be carried forward as follows:

FY12, 13 & 14	Home Buyer Program (\$55,000 each year)	\$165,000
FY13	Affordable Housing Development	\$43,498
FY14	Affordable Housing Development	\$142,787
FY13	CHDO Affordable Housing Development	\$36,846
FY14	CHDO Affordable Housing Development	\$38,020
FY13	CHDO Operating Support (must be tied to development)	\$12,282
FY14	CHDO Operating Support (must be tied to development)	\$12,674

McKinney Vento: Although the City is not an entitlement recipient of HUD's McKinney Vento funds, the Greater Nashua Continuum of Care annually seeks funding on a competitive basis to assist in meeting homelessness needs. A total of XXXX for calendar year 2014 will be awarded through the Super NOFA process. The State of NH, Harbor Home, Inc., Greater Nashua Council on Alcoholism, Southern NH Services, Inc. and Marguerites Place, Inc. will administer the funds.

Other resources from private and non-Federal public sources are expected to leverage the federal funds detailed above, such as private contributions to subrecipients, the Federal Home Loan Bank's Affordable Housing Program, Low Income Housing Tax Credits, historic tax credits, and conventional mortgage products.

Managing the Process

1. Lead Agency

The City of Nashua's Urban Programs Department (UPD) within the Community Development Division is the lead agency responsible for the development of the Consolidated and related plans. The UPD manages the HOME, CDBG and housing rehabilitation programs for the City, including management of sub-recipients carrying out activities funded by these programs. The lead legislative body is the Human Affairs Committee of the Nashua Board of Aldermen. The Committee holds the public hearings for the Consolidated Plan, Annual Action Plan, Consolidated Annual Performance Evaluation Report (CAPER) and any other hearings required for federal programs. The Committee deliberates the annual applications for funding under the CDBG program and makes the recommendations to the Board of Aldermen. Many other agencies are involved in the administration of programs covered under the Plan. They may include:

City of Nashua: Public Works Division, Police Department, Nashua Fire Rescue, Office of Economic Development, Division of Public Health and Community Services and Welfare Department

Other Public Agencies/Organizations: Greater Nashua Continuum of Care and Nashua Housing Authority

Private Agencies/Organizations: Big Brother/Big Sister, Boys and Girls Club, Bridges, Dental Connection, Greater Nashua Council on Alcoholism, Girls Incorporated, Greater Nashua Habitat for Humanity, Harbor Homes, Marguerite's Place, Nashua Children's Home, Nashua Pastoral Care Center, Nashua Soup Kitchen, Neighborhood Housing Services of Greater Nashua, New Hampshire Legal Assistance, PLUS Company, Salvation Army, Southern New Hampshire Services, Tolles Street Mission, The Upper Room and others.

2. Plan Development Process

CDBG funds are made available to both for-profit and non-profit entities. Availability of applications is advertised in the Nashua Telegraph and announced on the City's website. The applications are available for at least 30-days. The Urban Programs Department issues these applications, determines eligibility/consistency with HUD's National Objectives then forwards the information to the Human Affairs Committee (HAC). The Mayor presents the City's requests for funds directly to the HAC. The HAC meets publicly to deliberate the CDBG funding requests and formalizes a funding recommendation plan. This funding recommendation is presented to the full Board of Alderman via Resolution. Concurrently, the Annual Action Plan is drafted and released for a 30-day public comment period (advertised in the Nashua Telegraph). Following the normal Aldermanic process, the Resolution is referred back to HAC for a public hearing and final deliberation. The HAC may recommend the funding plan as is, or if needed, amend the Resolution. The funding plan, aka Annual Action Plan, once approved by vote of the full Board of Alderman is submitted to HUD approval. The AAP must be submitted by May 15th and HUD has 45-days to review.

Funding requests for the HOME program are accepted on a rolling basis. The Urban Programs Department reviews, evaluates and underwrites proposed HOME projects. Once determined eligible, the affordable housing development project must be approved by the Mayor and Board of Aldermen. HOME projects often take many months from the time of application to come to fruition.

Citizen Participation

1. Citizen Participation Plan

This Annual Action Plan is derived from the Consolidated Plan, which was developed through the collaborative effort of City departments, nonprofit agencies, religious institutions, the Greater Nashua Continuum of Care, the Nashua Housing Authority, citizens, local businesses and other interested parties. Special attention was paid to ensure low-moderate income individuals, minority groups, those directly impacted by the Plan and the agencies who service these individuals were included.

In addition to direct consultations, the UPD took advantage of the many surveys, studies and public opinion forums already conducted to identify community needs. The City utilized technology to access citizens. The use of these sources is discussed in detail in the 2010 Consolidated Plan, available on the City's website. It was our intent to reduce the burden of attending on-site collaborative sessions. Historically, these sessions lasted many hours requiring participants to either take time out of work or take time out of their evenings, which often created child care issues. It was our hope to access those citizens who do not normally attend collaborative sessions or public hearings.

Requests for proposals were made available on January 7, 2014 (advertised on December 6, 2012) and due February 6, 2014. The UPD also sent a courtesy e-mail to past or present recipients, those who had inquired throughout the year and as many non-profit entities in the City as possible. There were no attendees at the January 15, 2014 technical assistance workshop offered by the UPD for agencies interested in submitting applications.

Two public hearings were conducted by the Human Affairs Committee on March 20th and April 17, 2014 (scheduled as of this writing) for the purpose of receiving public comment on past performance and future needs related to CDBG and HOME. Notice of the public hearings were published in the Nashua Telegraph and posted on the City's website.

2. Citizen Comments

To be updated in final Plan

4. Comments Not Accepted

To be updated in final Plan

Institutional Structure

1. Actions to Develop Institutional Structure

The central responsibility for the administration of the Annual Action Plan is assigned to the Urban Programs Department (UPD). This agency will coordinate activities among the public and private organizations' efforts to realize the prioritized goals of the Annual Action Plan. Extensive public-private partnerships have been established and organized to address the City's housing and community development needs. The UPD will access, facilitate, and coordinate resource linkages and draw from the immediate sources of expertise in the community to strengthen existing partnerships and develop new collaborative relationships.

2. Other Actions

Actions to Affirmatively Further Fair Housing

The City's Analysis of Impediments to Fair Housing Choice, dated October 2010, indicates fair housing impediments do exist in Nashua. Federal funds have been and will continue to be used to address, to the extent feasible, fair housing impediments. Funds for FY15 have been allocated to NH Legal Assistance to conduct fair housing education and outreach. Impediments that were identified and are consistent with trends across the country include:

Due to an older housing stock, the presence of lead based paint is an impediment to households with children.

Actions:

- ✓ The City successfully obtained a \$2.48 M grant application with HUD's Office of Healthy Homes and Lead Hazard Control. This grant provides financial assistance to property owners for the removal of lead hazards. The creation of lead safe housing provides greater housing choice for families with small children.
- ✓ From 2007-2010, the City successfully executed another Lead Hazard Control grant in the amount of \$3 Million. These funds addressed lead hazards in 191 housing units occupied by low and moderate income families, especially those with a child less than six years of age. Both renter and owner occupied housing was eligible.
- ✓ Lead hazard control work is integrated into Housing Improvement Program rehabilitation whenever feasible.
- ✓ Maintain staff capacity to administer programs and train in lead hazard reduction.
- ✓ Continue education of landlords and tenants through partnerships with Code Enforcement, Division of Public Health and Community Services, NH Legal Assistance, the NH Housing Finance Authority and many other agencies.

The City's minority population is growing. Linguistic barriers may be present in the housing delivery system.

Actions:

- ✓ Nashua has a contract with an outside agency to provide limited language services. The Language Line is available to all departments who engage a customer that is non-English speaking. Over 184 languages can be translated and is updated as needed.
- ✓ Continued outreach and education through the Mayor's Ethnic Awareness Committee, The U.S. Department of Justice Community Relations Service Initiative to address discrimination, NeighborWorks Inc., Southern New Hampshire Hispanic Network, The Greater Nashua Latino Community Council, local faith based, church and other relevant groups.
- ✓ The Urban Programs Department has translated some documents. Translation of other written documents will be completed on an ongoing basis.
- ✓ Several city departments employ staff that are able to provide Spanish verbal translation.

Minorities are declined home mortgage financing at a greater rate than the general population.

Actions:

- ✓ Continue to conduct outreach to minority populations regarding home buyer education and credit counseling (especially through NH Legal Assist's Funding)
- ✓ Implement a Home-buyer program through the City's HOME program, with an emphasis on minority education (i.e. offering classes in Spanish).

Significant segments of the population are unaware of the requirements of the fair housing law.

Actions:

- ✓ Implement a formalized approach to fair housing, including outreach at community events and strengthening education through existing programs
- ✓ Appoint a fair housing officer who will maintain the City's fair housing file, activities and Analysis of Impediments to Fair Housing
- ✓ Include fair housing choice as a consideration in the development of new land use regulations.

Monitoring

Overview

The City of Nashua recognizes monitoring of CDBG, HOME, and our other federal programs as an important component in the administration of HUD funds. An internal management plan is in place to ensure proper and timely implementation of both the strategic and annual plans, as well as ensuring compliance with applicable regulations.

Time Line

- Desk Audits are performed on a quarterly basis. Desk audits include submission of low-moderate income client benefit, documentation of unduplicated clients served, verification of costs incurred and a narrative. The benefit is two-fold: to review and confirm compliance to HUD regulations, and to identify high risk sub-recipients. High risk factors might include:
 - Sub-recipients who are new to the HUD programs implemented
 - Sub-recipients who have experienced high turnover in key staff positions
 - Sub-recipients struggling to meet schedules, submit performance reports, submit timely invoices
- On-Site Visits are scheduled as needed when problems that cannot be resolved remotely are identified.

Process

On-site monitoring will continue to be conducted in the following manner:

- Personal contact with responsible party, as defined in application, to explain monitoring purpose and schedule date and time for on-site visit.
- Follow up letter confirming call, date and time of visit. This letter should also confirm aspects of the visit to explain what can be expected, what materials need to be provided, who should be present at meeting, and length of time needed to complete monitoring.
- Prior to site visit, monitor shall review all written data on file, including application agreement, previously submitted performance data, documentation of previous monitoring, and copies of audits

Using the monitoring checklist the site visit includes:

- Entrance conference to clarify purpose, scope and schedule
- Thorough review of sub-recipient's files to ensure compliance with all administrative, financial and programmatic regulations.
- Exit interview to present preliminary findings to key representatives, clarify position, and clear up misunderstandings
- Follow up letter is sent to facility describing visit, and results
- Depending upon condition of records, several results are possible

Site Visit Results

Follow up letter will be sent within 10 days of on-site visit, thanking the facility for their time and cooperation and offering recommendations to address and rectify any problems that were encountered. The following may be instituted, ranging from mild to severe actions:

- Provide recommendation; no follow up action necessary
- Identify deadline when specific issues must be corrected. Re-visit to site, or have organization send documentation showing correction

- Organization placed on probationary period, until sub-recipient is in compliance
- Restrict payment requests until sub-recipient is in compliance
- Do not renew organization award in next program year
- Terminate organization for the current year

HOME Assisted Unit Monitoring Plan (92.504(b)): The City shall be responsible for monitoring and evaluating compliance for all HOME assisted units. During the period of affordability, the City shall perform remote monitoring to conduct risk analysis. Documentation requested may include annual agency and project statements, budget to actual, cash flow statements, etc. Occupant information must be submitted annually. On-site inspections of HOME-assisted rental housing to determine compliance with the property standards detailed in the written agreement and to verify the information submitted by in accordance with 24 CFR 92.252, as follows for projects containing:

1 - 4 HOME units	Every three (3) years
5 - 25 HOME units	Every two (2) years
26 or HOME more units	Every year

Inspections shall be based on a sufficient sample of units. The City shall have access to and be able to make copies and transcriptions of such records as may be necessary in the determination of the City or HUD to accomplish this evaluation. Failure by the Project Sponsor to assist the City in this effort, including allowing the City to conduct the on-site inspections and have access to the Project Sponsor's records, shall result in the imposition of sanctions as specified in Article I, Section 7 herein.

Affirmative Marketing of HOME Assisted Units: The City's Affirmative Marketing policy for HOME assisted units is as follows: For projects with five or more HOME-assisted, units, the Project Sponsor/Owner will be required through a legally binding written agreements, to affirmatively market any unit available for rent or purchase in a manner to attract tenants or homebuyers, as applicable, without regard to race, color, national origin, sex, religion, familial status or disability. The Project Sponsor/Owner must agree, in soliciting tenants/buyers, to do the following:

- a. Use the Equal Housing Opportunity logo in all advertising;
- b. Display a Fair Housing Poster in the rental and sales office;
- c. When appropriate, advertise and use various media sources, such as local public access channel, social media, postings within neighborhoods (local markets, community centers, etc) and minority outlets to reach persons least likely to apply for the housing;
- d. Maintain files of Project Sponsor's affirmative marketing activities for five (5) years after project completion and provide access thereto to the City staff.

The City reserves the right to amend Affirmative marketing procedures and notify the Project Sponsors/Owners of the changes, without an amendment to the written agreements.

Lead-Based Paint

1. Actions to Address Housing Units with Lead-Based Paint

The City of Nashua is designated, by the NH Childhood Lead Poisoning Prevention Program, as a high-risk community. In New Hampshire (NH), communities with 27% or more of the housing stock built before 1950 are considered high-risk. Our high-risk status, combined with other income and socio-economic factors, demonstrates the need for significant efforts to address lead hazards in housing occupied by low-income households.

The table below shows the characteristics of the City's housing stock. All housing units built before 1980 are counted herein as being likely to have lead based paint hazards. 1978 was the first year that Federal law prohibited the use of lead-based paint in residential property and housing data is only available in ten year increments.

Breakdown of Nashua's Housing Stock						
Housing Age	Renter		Owner		Total Units	% w/ Young Children
2000+	395	1.1%	1,070	3.1%	1,465	30.7%
1980 to 1999	3,090	9.0%	6,890	20.0%	9,980	12.1%
1960 to 1979	3,680	10.7%	8,005	23.2%	11,685	13.3%
1940 to 1959	1,965	5.7%	2,840	8.2%	4,805	18.7%
1939 or older	4,175	12.1%	2,415	7.0%	6,590	15.2%
Total Units	13,305		21,220		34,525	
Total Pre-1980 Units	9,820		13,260		67%	47.2%

Source: 2009 CHAS Data

As of this writing the City is approximately two years into our \$2.48 M grant from HUD's Office of Healthy Homes and Lead Hazard Control to address lead paint and other health hazards in units occupied by low-moderate income households. To date, 77 units have been cleared of lead paint hazards. Under this program at least 130 units will be made lead-safe and approximately 100 people will be trained in lead hazard and healthy homes practices. Rental units assisted with these funds are restricted to occupancy by low-income households for a three-year period following lead hazard reduction activities. Landlords must also give priority in renting to households with a child less than six years of age. The City also executed another \$3 million Lead-Based Paint Hazard Control Grant (LBPHCG) from 2007-2010, under which 191 units were made lead-safe, 187 of which were in Census tracts 104-108.

The City of Nashua's Division of Public Health and Community Services provides free blood lead screenings, education and home visits with a specialist from the Environmental Health Department. Nurses offer one-on one education with parents of children with elevated blood lead levels. The City is working toward reaching a "One Touch" approach in dealing with the multiple health hazards in homes. A one touch approach takes advantage of the fact that many different agencies may be visiting a home. Whichever is the first to get their foot in the door should identify the potential hazards, correct the problems, refer occupants to services or educate, thus reducing the number of visits/agencies to one home. Keeping this goal in mind, the City's Code Enforcement Department has been trained to recognize potential lead hazards, especially in homes where young children reside, and make referrals to the Urban Programs Department.

HOUSING

Specific Housing Objectives

1. Specific Housing Objectives

The table below summarizes the specific housing objectives the City hopes to achieve in FY2015. Annual goals may include prior year benchmarks in order to reach 5-year goals.

Activity	Units	Goal
Creation/Preservation of Rental Housing	Housing Units	50
Rehab LMI Owner-Occupied	Housing Units	10
Homeownership Assistance, Counseling Ed.	Households	40
Ensure Safe & Sanitary Housing (code enforcement, lead hazard control)	Housing Units	46

2. Use of Resources for Housing Objectives

The characteristics of the housing market have significantly, and will continue to impact how the City directs its housing funds over the five-year Consolidated Plan period. Specifically, the City intends to focus some of its resources on homeownership. Homeownership provides households with an opportunity to build equity and benefits the community by encouraging neighborhood stabilization. Further the City will place emphasis on ownership in high rental, low income areas to encourage income diversity. To this end, this Annual Action Plan includes funding under the HOME program to assist eligible low-income buyers with down payment and/or closing costs.

The need to address substandard rental housing also continues to be a high priority. In the past year, the Code Enforcement Department has responded to 771 complaints related to housing health and safety violations. The majority of these complaints are located in the City's Census Tracts with the highest concentrations of low-income, rental occupied units. This demonstrates the need to allocate our federal resources to rental housing issues as well.

As discussed above, the City is working toward a "One Touch" approach to meeting housing needs. This approach not only connects families to resources throughout the community, but also leverages resources amongst programs. Working closely with weatherization and other outside energy programs, the City can stretch our federal dollars. Further, in the coming year under the Lead Paint Grant, the City will hire a consultant to analyze our rehab specifications and make recommendations for areas of improvement related to energy efficiency and sustainable products. Although we currently require high performance products, we recognize the room for improvement.

Needs of Public Housing

1. City Support of Public Housing Activities

The City has limited resources to assist the needs of the Nashua Housing Authority (NHA) and its clients, especially when compared with the needs of those who do not have access to affordable housing. However, as the quality of the living environment for residents is critical to the neighborhoods where public housing is placed, the City will do everything it can to support revitalization efforts.

Preliminary steps continue from last year begun related to the redevelopment of a housing authority location known as Bronstein Apartments. The NHA is coordinating with the City and other essential partners to ensure the potential redevelopment occurs in a fair and sensitive manner. The City envisions working with the NHA, utilizing its HOME funds to assist in the replication of affordable housing units needed in the future. There is no timeline established as the NHA and City recognize many steps must be taken before a replication plan is developed.

2. Actions Planned for Public Housing

To be updated in final Plan

2. Troubled Designation

The Nashua Housing Authority (NHA) was recently designated Substandard Physical. The NHA is working to prepare an Action Plan to correct the deficiencies and will provide the City a copy of the Plan once completed. Resources covered under the City's Action Plan may be redirected to assist the NHA, through an amendment, if such a need is identified.

Barriers to Affordable Housing

1. Actions to Remove Barriers to Affordable Housing

Property costs in Nashua remain lower than those of all of its neighboring towns and most communities in the region. Property taxes are comparatively low and the City has historically encouraged diverse uses of land.

Nevertheless, the cost of affordable housing production remains high in the Nashua market. As a result, the City continues to work to eliminate barriers that may limit the production or feasibility of affordable housing construction that are within the capacity of local government to address. In 2006 the City adopted a new inclusionary zoning land use code, which provides density incentives for projects where the applicant consents to designate some number of units as affordable.

HOME/ American Dream Down payment Initiative (ADDI)

1. Use of HOME funds for other forms of investment not described in § 92.205(b)

The City does not plan to use HOME funds for other forms of investment not described in § 92.205(b)

2. Resale/Recapture guidelines for HOME funded homebuyer activities

In FY15 the City plans to fund a Home Buyer Assistance Program to eligible low-income homebuyers purchasing a home in Nashua. The City of Nashua's Home Buyer Assistance Program will assist eligible low-income homebuyers purchase a home in Nashua. Preference will be given to Nashua residents, although the program will also be open to buyers moving to Nashua. HOME Investment Partnership funds will be used to assist with down payment or closing costs in the form of a 0% (zero percent) loan.

24 CFR, Part 92.254(a)(5) allows the participating jurisdiction (the City) to impose either resale or recapture requirements on properties sold or refinanced that have been assisted with HOME funds.

The City and/or its Subrecipients shall apply the recapture method on the direct subsidy received by the buyer, detailed as follows:

- Duration of the affordability period will be determined by the value of the direct HOME subsidy to the buyer, according to the minimum number of years required by HUD.
- The property must remain the principle residence of the homebuyer for the entire affordability period.
- Loans will be forgiven at an even rate per year throughout the period of affordability, so long as the property remains the principle residence of the buyer.
- If the owner fails to occupy the property as his/her principle residence, the entire HOME assistance amount must be repaid. Failure to occupy is considered non-compliance and no portion of the loan will be forgiven.

- In the event the home is sold or transferred before the end of the affordability period, the City will recapture the remaining outstanding principle. The recaptured amount shall be limited by net proceeds and proportionately shared between the buyer's and City's original investment.

All buyers will enter into an Agreement with the City to accept the HOME assistance. The Agreements will contain language to ensure compliance with the policy stated herein. A lien will be placed on the property and be in effect for the period of affordability.

3. Debt Refinancing Guidelines

The City does not plan to use HOME funds to refinance existing debt secured by multifamily housing that is being rehabilitated with HOME funds.

4. HOME Projects identified for FY2015

HOME projects are evaluated on a rolling basis. No new projects are identified as of this writing. However, two projects are ongoing: the redevelopment of Cotton Mill Square, an abandoned mill building located at 30 Front Street is scheduled to begin construction by August 2013. The project will result in approximately 105 residential units, with at least half being affordable to low-moderate income households; and 45-47 Chestnut Street. Chestnut Street involves demolition of an 8-unit building destroyed by fire and reconstruction of an owner-occupied condex style home through Habitat for Humanity. Construction is estimated to be complete by summer 2014.

HOMELESS

Specific Homeless Prevention Elements

The Greater Nashua (GNCOC) is the primary decision making group that manages the overall planning effort for the entire COC. The communities served by the COC include Nashua, Brookline, Amherst, Hollis, Merrimack, Milford, Mont Vernon, Hudson, Litchfield and Mason. The GNCOC utilizes federal, state and private funds to address the needs of homeless, including competitive HOPWA grants.

For virtually all homeless individuals and families, decent, safe, affordable housing is a critical step in ending homelessness. In some cases, this is their only need. However, often, in addition to affordable housing, homeless families and individuals also need supportive services to make the transition to independent living or to deal with other problems, including substance abuse or mental illness. Finally, in order to maintain themselves, these individuals and families may require assistance with childcare, transportation, life skills, job training and other basic life skills.

The City will support the above activities through funding of non-profit agencies who address homeless needs. The funds will be directed to homelessness in general, the chronically homeless and prevention. The City further supports the GNCOC's 10-Year Plan to End Homelessness.

Potential obstacles to addressing homelessness include lack of funding, competing priority needs and reductions of state funding.

The GNCOC has a formal discharge plan in place and continues to work with the affected agencies to ensure the plan is implemented.

COMMUNITY DEVELOPMENT

1. Priority Non-Housing Community Development Needs

Priority Need	Priority Need Level
Clearance and Demolition	Medium
Clearance of Contaminated Sites	Medium
Public Facilities (General)	
Senior Centers	Low
Handicapped Centers	Medium
Homeless Facilities	Medium
Youth Centers	High
Neighborhood Facilities	Medium
Health Facilities	High
Parks and/or Recreation Facilities	High
Non-Residential Historic Preservation	Low
Priority Need	Priority Need Level
Infrastructure (General)	
Street Improvements	Medium
Sidewalks	Medium
Public Services (General)	
Youth Services	High
Substance Abuse Services	Medium
Health Services	High
Tenant Landlord Counseling	High
Economic Development (General)	
C/I Land Acquisition/Disposition	Medium
C/I Infrastructure Development	Medium
C/I Building Acquisition/Const/Rehab	Medium
ED Assistance to For-Profit	High
ED Technical Assistance	High
Micro-enterprise Assistance	High

2. Specific Objectives

The following projected accomplishments reflect the FY2015 annual goals. The totals listed do not necessarily reflect unique persons served since many activities will continue to serve ongoing needs of the same individuals for more than one program year.

Economic Development

Objective #	Source	Specific Objectives	Performance Indicators	Total Goal (5 yr)	Approx Achieved	FY2015 Goal
EO-1.1	CDBG, BEDI, Sec 108	Improve the economic well being of Nashua's LMI individuals through job creation & retention	# of jobs created or retained	60	22	10
EO-1.2	CDBG	Stimulate the growth of new enterprises, including micro-enterprises	# of businesses assisted	50	30	5
EO-1.3	CDBG, BEDI, Sec 108, DOT	Reclaim brownfields and other abandoned or underutilized sites	# of sites remediated or redeveloped	10	1	0
EO-1.4	CDBG	Enhance job skills of LMI individuals	# of individuals trained	150	0	5
EO-3.1	CDBG, Private, City	Enhance the vitality of neighborhood business districts and Downtown Nashua	# of improvement projects	5	0	1

Local Infrastructure & Strengthening Neighborhoods

Objective #	Source	Specific Objectives	Performance Indicators	Total Goal (5 yr)	Approx Achieved	FY2015 Goal
SL-3.1	CDBG	Enhance the character of existing neighborhoods and revitalize older ones	# of neighborhood projects	3	1	1
SL-3.2	CDBG	Improve quality of life issues contributing to neighborhood blight	# of properties addressed on a spot basis	3	0	2
SL-3.3	CDBG	Improve the quality/increase of public improvements that benefit LMI individuals	# of infrastructure projects completed	5	3	1
SL-3.4	CDBG	Provide LMI residents with accessible open space, from neighborhood playgrounds to large scale regional parks	# of parks/green space projects completed	10	5	2
SL-3.5	CDBG	Ensure neighborhoods have access to schools, community centers and open space via sidewalks or trails	# of sidewalk, parking, trail, etc projects completed	5	2	1

Community Facilities and Public Services

Objective #	Source	Specific Objectives	Performance Indicators	Total Goal (5 yr)	Approx Achieved	FY2015 Goal
SL-1.1	CDBG	Improve the quality/increase the quantity of facilities that serve LMI individuals	# of public facilities built or rehabilitated	25	11	3
SL-1.2	CDBG	Improve the quality/increase the quantity of facilities that benefit LMI teens/youth	# of public facilities dedicated to youth built or rehabilitated	20	6	2
SL-1.3	CDBG	Improve services for all LMI individuals	# of individuals served	25,000	13,512	5,700
SL-1.4	CDBG	Improve services for LMI youth & teens	# of youth participating in programs	10,000	2,919	2,500

Decent Housing

Objective #	Source	Specific Objectives	Performance Indicators	Total Goal (5 yr)	Approx Achieved	FY2015 Goal
DH-1.1	HOME, CDBG	Increase the supply of rental housing to meet the needs of all low-moderate income (LMI) groups	# of affordable housing units created	50	8	50
DH-1.2	CDBG	Ensure safe, sanitary housing and prevent housing discrimination	# of families assisted	75	101	46
DH-1.3	CDBG	Improve the quality of existing housing stock available to LMI households	# of properties assisted through Nashua's Housing Improvement Program and/or energy efficiency retrofits	50	32	10
DH-2.1	CDBG, HOME	Increase home ownership in areas of LMI concentrations to increase income diversity	# of households who purchase a home or receive pre-purchase counseling or down payment assistance	50	0	40

Antipoverty Strategy

Most activities undertaken by the City with CDBG and other federal and state funds for low income families are efforts to reduce persons in poverty and improve the quality of life for Nashua residents, either directly or indirectly. Staff also works in partnership with citizens, other City departments and the public and private sectors to accomplish its goal of reducing poverty.

CDBG programs which directly influence the household income level include: job training, job counseling and placement, education and business development. In the near future and possibly for the next five years, the focus will be on job development and economic stabilization.

CDBG programs that may indirectly influence the impact of household living by those at or below the poverty level, by reducing other costs include, affordable housing, energy efficiency, public transportation and health care assistance.

In FY2015 the City will be funding the following indirect activities:

- Revitalization and economic development activities
- Housing rehabilitation including energy efficiency improvements
- Health services – both physical and mental

NON-HOMELESS SPECIAL NEEDS HOUSING

Non-homeless Special Needs

1. Priorities and Objectives of Non-Homeless Special Needs

Throughout the City, there are households in various subpopulations who are not homeless but have specific housing needs and may also require special attention due to their current or prospective service needs. These subpopulations include: elderly, frail elderly, persons with severe mental illness, victims of domestic violence, developmentally disabled, physically disabled, substance abusers, and persons with HIV/AIDS.

The city is aware of the needs of special populations and is committed to supporting initiatives which target these populations.

In FY2015, funding to the following agencies, that assist special needs populations, is proposed:

- Bridges \$25,699 (Public Facility)
- Nashua Children's Home \$49,522 (Public Facility)
- Human Services - TBD

Housing Opportunities for People with AIDS

The City of Nashua is not a formula grantee for the HOPWA (Housing Opportunities for Persons with AIDS) Program; therefore it is not a required submission of this Consolidated Plan. However, the City of Nashua is the recipient of a 2012 competitive grant renewal of \$1,430,000 Tenant Based Rental Assistance HOPWA (Housing Opportunities for Persons with AIDS) , with the sponsors being the Southern NH HIV/AIDS Task Force and Harbor Homes, Inc. The HOPWA Competitive Program is a national competition to select model projects or programs that address the specific needs of persons living with HIV/AIDS and their families in innovative ways. Since 2001, Appropriations Acts have required that priority be given to the renewal of expiring competitive grants that have successfully undertaken permanent supportive housing projects. Over a three year period the grant program will provide long-term rental subsidies and supportive services for 31 low-income individuals and families living with HIV/AIDS in Greater Nashua. Additionally, Harbor Homes, Inc. is the recipient with the Southern NH HIV/AIDS Task Force as the sponsor for a Short Term Rent, Mortgage and Utility HOPWA Grant. Over a 3-year period, this program provides \$500,457 in emergency financial assistance to prevent eviction, foreclosures and utility disconnect, as well as supportive services for low-income individuals and families with HIV/AIDS residing in Greater Nashua.